

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

ILLUMINA, INC.; ILLUMINA CAMBRIDGE LTD.,

Civil No. 12CV1465-AJB (BGS)

Plaintiff,

V.

COMPLETE GENOMICS, INC.,

Defendant.

**NOTICE AND ORDER FOR EARLY
NEUTRAL EVALUATION
CONFERENCE IN PATENT CASES**

IT IS HEREBY ORDERED that an Early Neutral Evaluation of your case will be held on September 13, 2012, at 9:30 a.m. before United States Magistrate Judge Bernard G. Skomal, United States District Court, 101 W. Broadway, Suite 1100, San Diego, California.

The following are mandatory guidelines for the parties preparing for the Early Neutral Evaluation Conference.

1. **Purpose of Conference:** The purpose of the Early Neutral Evaluation Conference (“ENE”) is to permit an informal discussion between the attorneys, parties, and the settlement judge of every aspect of the lawsuit in an effort to achieve an early resolution of the case. All conference discussions will be informal, off the record, privileged and confidential. Counsel for any non-English speaking parties is responsible for arranging for the appearance of an interpreter at the conference.

2. Personal Appearance of Parties Is Required: All parties, adjusters for insured

1 defendants, and other representatives of a party having full and complete authority to enter into a
2 binding settlement, and the principal attorneys responsible for the litigation, must be present in
3 person and legally and factually prepared to discuss settlement of the case.¹

4 3. **Full Settlement Authority Required:** In addition to counsel who will try the
5 case, a party or party representative with full settlement authority must be present for the
6 conference. In the case of a corporate entity, an authorized representative of the corporation who
7 is not retained outside counsel must be present and must have discretionary authority to commit
8 the company to pay an amount up to the amount of the plaintiff's prayer (excluding punitive
9 damage prayers). The purpose of this requirement is to have representatives present who can settle
10 the case during the course of the conference without consulting a superior. Counsel for a
11 government entity may be excused from this requirement so long as the government attorney who
12 attends the ENE conference (1) has primary responsibility for handling the case; and (2) may
13 negotiate settlement offers which the attorney is willing to recommend to the government official
14 having ultimate settlement authority.

15 Unless there are **extraordinary circumstances**, persons required to attend the
16 conference pursuant to this Order shall not be excused from personal attendance. Requests for
17 excuse from attendance for extraordinary circumstances shall be made in writing at least one week
18 prior to the conference. Failure to appear at the ENE conference will be grounds for sanctions.

19 4. **Confidential ENE Statements Required:** No later than five court days prior
20 to the ENE, the parties shall submit confidential statements of five pages or less directly to the
21 chambers of Judge Skomal outlining the nature of the case, the claims, and the defenses. These
22 statements shall not be filed or served on opposing counsel. Please note ENE statements shall be
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24 ¹ "Full authority to settle" means that the individuals at the settlement conference must be authorized to
25 fully explore settlement options and to agree at that time to any settlement terms acceptable to the parties.
26 Heileman Brewing Co., Inc. v. Joseph Oat Corp., 871 F.2d 648 (7th Cir. 1989). The person needs to have
27 "unfettered discretion and authority" to change the settlement position of a party. Pitman v. Brinker Intl., Inc., 216 F.R.D. 481, 485-486 (D. Ariz. 2003). The purpose of requiring a person with unlimited
28 settlement authority to attend the conference includes that the person's view of the case may be altered
during the face to face conference. Id. at 486. A limited or a sum certain of authority is not adequate.
Nick v. Morgan's Foods, Inc., 270 F.3d 590 (8th Cir. 2001).

1 submitted by courier directly to chambers or emailed to **efile_Skomal@casd.uscourts.gov.**
2 Parties may make presentations to assist the court in understanding the invention(s) at issue in the
3 litigation and should contact chambers three court days in advance of the ENE to make
4 arrangements if they need to bring display equipment.

5 **5. New Parties Must Be Notified by Plaintiff's Counsel:** Plaintiff's counsel
6 shall give notice of the ENE to parties responding to the complaint after the date of this notice.

7 **6. Case Management Under the Amended Federal Rules and Local Patent**
8 **Rules:** In the event the case does not settle at the ENE, the parties can expect to leave the ENE
9 with Rule 26 compliance dates and deadlines, and a Case Management Order including a Claim
10 Construction briefing schedule and hearing date. **Parties shall therefore meet and confer**
11 **pursuant to Fed. R. Civ. P. 26(f) no later than 21 days before the ENE** and be prepared to
12 discuss the following matters at the conclusion of the ENE conference:

- 13 a. Any anticipated objections under Federal Rule of Civil Procedure 26(a)(1)(E) to
14 the initial disclosure provisions of Federal Rule of Civil Procedure 26(a)(1)(A-
15 D) and the date of initial disclosures;
- 16 b. Any proposed modification of the deadlines provided for in the Patent Local
17 Rules, and the effect of any such modification on the date and time of the Claim
18 Construction Hearing, if any;
- 19 c. Whether the court will hear live testimony at the Claim Construction Hearing;
- 20 d. The need for and specific limitations on discovery relating to claim construction,
21 including depositions of percipient and expert witnesses;
- 22 e. The order of presentation at the Claim Construction Hearing; and
- 23 f. Any proposed modifications to the limitations on discovery imposed under the
24 Federal Rules of Civil Procedure or by local rule.

25 The Court will issue an order following the ENE addressing these issues and setting dates as
26 appropriate.

27 **7. Requests to Continue an ENE Conference:** Local Patent Rule 2.1.a requires
28 that an ENE take place within 60 days of the filing of the first answer. Requests to continue ENEs

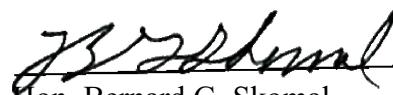
1 are rarely granted. However, the Court will consider formal, written *ex parte* requests to continue
2 an ENE conference when extraordinary circumstances exist that make a continuance appropriate.
3 In and of itself, having to travel a long distance to appear in person is not "extraordinary." **Absent**
4 **extraordinary circumstances, requests for continuances will not be considered unless**
5 **submitted in writing no less than seven (7) days prior to the scheduled conference.**

6 Questions regarding this case or the mandatory guidelines set forth herein may be
7 directed to Skomal's research attorney at (619) 557-2993.

8 A Notice of Right to Consent to Trial Before a United States Magistrate Judge is
9 attached for your information.

10 IT IS SO ORDERED.

11 DATED: August 3, 2012

12 
13 Hon. Bernard G. Skomal
14 U.S. Magistrate Judge
United States District Court

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1 **NOTICE OF RIGHT TO CONSENT TO TRIAL**
2 **BEFORE A UNITED STATES MAGISTRATE JUDGE**

3 In accordance with the provisions of 28 U.S.C. § 636(c), you are hereby notified that a
4 U.S. Magistrate Judge of this district may, upon the consent of all parties on form1a (available in
 the clerk's office), conduct any or all proceedings, including a jury or non-jury trial, and order the
 entry of a final judgment. Counsel for the plaintiff shall be responsible for obtaining the consent
 of all parties, should they desire to consent.

5 You should be aware that your decision to consent or not to consent is entirely
6 voluntary and should be communicated solely to the Clerk of Court. Only if all parties consent
7 will the Judge or Magistrate Judge to whom the case has been assigned be informed of your
 decision.

8 Judgments of the U.S. Magistrate Judges are appealable only to the U.S. Court of
9 Appeals in accordance with this statute and the Federal Rules of Appellate Procedure.

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